



Fiscal Note
S.B. 145 2nd Sub. (Salmon)
2018 General Session
School Funding Revisions
by Fillmore, L. (Fillmore, Lincoln.)



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(62,600,000)	\$31,600,000	\$(31,000,000)

State Government

UCA 36-12-13(2)(b)

Enactment of this bill creates the Education Fund Restricted - Local Levy Growth Account and appropriates \$31,000,000 ongoing from the Education Fund into the account in FY 2019. Beginning in FY 2020, bill provisions direct that if growth in Education Fund revenue increases by a certain threshold, additional transfers will be made into the restricted account as outlined in the bill. Estimates indicate that if thresholds are met in FY 2020, approximately \$31.6 million may be transferred for use as outlined. The transfer in FY 2020 and beyond is dependent on the amount of revenue growth within the Education Fund.

Revenues	<i>FY 2018</i>	<i>FY 2019</i>	<i>FY 2020</i>
New Account Created By Legislation	\$0	\$31,000,000	\$62,600,000
Total Revenues	\$0	\$31,000,000	\$62,600,000

Bill provisions provide for a transfer of revenue from the Education Fund to the Education Fund Restricted - Local Levy Growth Account. The transfer is \$31,000,000 in FY 2019 and may increase by an additional \$31,600,000 in future years if revenue growth in the Education Fund exceeds certain thresholds outlined in the bill. The bill also appropriates \$31,000,000 from the Education Fund Restricted - Local Levy Growth Account to the State Board of Education in FY 2019 to support the Voted & Board Local Levy Programs as outlined in the bill. This amount is estimated to increase by an additional \$31,600,000 in FY 2020, for a total of \$62,600,000. The State Guarantee Rate for the Voted & Board Local Levy Programs identified in the bill is \$43.10. The \$31.0 million appropriated in FY 2019 is not sufficient to fully fund this guarantee rate. Statutory language allows the State Board of Education to reduce the guarantee rate to meet the level of funding appropriated by the Legislature. Estimates show that the rate may be closer to \$42.70 to distribute the \$31.0 million in FY 2019.

Expenditures	<i>FY 2018</i>	<i>FY 2019</i>	<i>FY 2020</i>
Education Fund	\$0	\$62,600,000	\$62,600,000
Education Fund, One-Time	\$0	\$(31,600,000)	\$0
New Account Created By Legislation	\$0	\$31,000,000	\$62,600,000
Total Expenditures	\$0	\$62,000,000	\$125,200,000

Net All Funds	\$0	\$(31,000,000)	\$(62,600,000)
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Local Government

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Individuals & Businesses

UCA 36-12-13(2)(d)

Enactment of this legislation likely will not result in direct, measurable expenditures by Utah residents or businesses.

Regulatory Impact

UCA 36-12-13(2)(e)

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

No performance note required for this bill
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Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.